

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Pettibone Michigan LLC

#### Michigan Manufacturing Technology Center

#### Pettibone/Traverse Lift Gets A Boost From Lean Manufacturing

##### Client Profile:

Pettibone/Traverse Lift, LLC has been in business for over 50 years, manufacturing a variety of versatile material handling equipment in Baraga, Michigan. Product lines include the Cary-Lift, ideal for handling steel pipes, logs, poles, lumber, scrap, and other heavy loads; railroad maintenance equipment; and telescoping-boom rough-terrain fork lifts. The company employs less than 250 people.

##### Situation:

The recent economic slowdown and continuing industry overcapacity issues forced Pettibone to consider closing one of its locations. After careful consideration, Pettibone chose to close the Houston, Texas plant, absorbing its production into other operations. The decision resulted in a name change for the company (Traverse Lift) and a recommitment to keeping jobs and the Pettibone brand in northern Michigan.

Pettibone struggled to find a way to compete on something other than price. The decision to compete on quality rather than price-point began a company-wide shift in philosophy. Pettibone's goal is to make a high-quality product that saves the customer money in the long run, eliminating the need for expensive repair and reducing the need for replacement parts early in the life of the product.

Since 1999, Pettibone has partnered with Northern Initiatives (NI), a regional office of the Michigan Manufacturing Technology Center (MMTC), a NIST MEP network affiliate, to implement an array of lean manufacturing concepts on the shop floor. When the company wanted to move lean thinking from the shop floor to the office, NI was just the place to start.

##### Solution:

NI helped Pettibone conduct a kaizen on its parts order process and was able to identify parts shortages and delays in getting the parts from the warehouse to the assembly line. One of the many improvements involved moving the parts from the warehouse to stations closer to production, reducing material flow and making parts readily available where needed. This helped increase available warehouse space and shorten production lead times. Pettibone's future project plans include 5S projects and more kaizen events.

Pettibone's vision for continuous improvement continues to evolve and flow into other areas of the business. Pettibone and NI recently finished a customer

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survey with its top 20 parts customers and is using the results to focus on customer retention and strategic planning. Pettibone continues to look for and address improvement opportunities one by one. The company's desire to share these lessons with its suppliers, and translate them into shared cost savings for their customers, positions Pettibone as an industry leader and a shining example of the benefits of lean manufacturing principles.

### **Results:**

Reduced inventory by 75 percent.

Improved productivity by 33 percent overall, with some product lines achieving up to 50 percent in improvements.

Reduced changeover time on one machine from over an hour to 17 minutes.

Improved purchasing procedures to reduce parts shortages.

### **Testimonial:**

"We are proud of the tangible improvements we have achieved, but more than that, we are excited with the ownership and input our employees have shown throughout the process. For every identified improvement opportunity, our people have been quick to offer viable solutions that have proven to be both effective and cost conscious."

Kevin Walsh, President